

Message Text

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ACTION L-03

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E.O. 11652: N/A
TAGS: ENRG, EIND, CS
SUBJECT: ANOTHER VESCO SCANDAL

REF: SAN JOSE 3779 OF 9/5/75

1. CLOSE ASSOCIATES OF ROBERT VESCO ARE UNDER CRIMINAL INVESTIGATION BY THE 4TH JUDGE OF INSTRUCTION ON CHARGES OF FRAUD, FRAUDEULENT ADMINISTRATION, WRONGFUL APPROPRIATION AND CONCEALMENT OF DOCUMENTS OF A CORPORATION IN CONNECTION WITH THE 1975 SALE OF THE ASSETS OF THE GASOLINE DISTRIBUTING COMPANY TICO-TICOSA TO THE STATE OIL REFINERY (RECOPE) PURSUANT TO THE GOVERNMENT'S NATIONALIZATION PROGRAM FOR PETROLEUM DISTRIBUTION FACILITIES. IN ADDITION TO THE ACCUSED PERSONS -- SOMETIME VESCO LAWYER JAIME DARENBLUM, ENRIQUE CARRERAS, JOSE ROCKBRAND, FEDERICO OREAMUNO, VICTOR ALBERTO QUIROS SASSO, AND JOAQUIN ALBERTO QUIROS GRAU -- SUBH PROMINENT NAMES AS PRESIDENT ODUBER, EX-PRESIDENT FIGUERES, JOSE MARTI FIGUERES, AND NORMAN LEBLANC FIGURE IN THE CASE.

2. THE CARGES, BROUGHT BY TWO MINORITY STOCKHOLDERS OF TICO-TICOSA S.A., MARIO LOPEZ MONGE AND OSCAR GOMEZ GAMBOA, ALLEGE THAT A COMPANY (BELORA S.A.)
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CONTROLLED BY VESCO ASSOCIATES NORMAN LEBLANC AND JOSE MARTI FIGUERES ENDED UP WITH THE FUNDS PAID BY RECOPE FOR THE PURCHASE OF THE ASSETS OF TICO-TICOSA S.A. AND THAT THE MINORITY SHAREHOLDERS DID NOT RECEIVE THE SHARE TO WHICH THEY WERE ENTITLED BY VIRTUE OF THEIR 13 PERCENT OWNERSHIP INTEREST IN TICO-TICOSA.

3. TWO OF THE ACCUSED, QUIROS SASSO AND QUIROS GRAU, WHO WERE ALSO MINORITY OWNERS (26 PERCENT) OF TICO TICOSA (THROUGH THEIR COMPANY VICELIZ S.A.) HAVE REPORTEDLY TESTIFIED TO THE JUDGE OF INSTRUCTION THAT THEY WERE FORCED THROUGH OPEN THREATS BY LEBLANC AND DARENBLUM AND THROUGH MORE SUBTLE PRESSURE FROM JOSE MARTI FIGUERES TO SELL THEIR SHARES IN TICO-TICOSA TO THE GROUP OF VESCO ASSOCIATES. FURTHER, THEY ASSERT THAT A DOCUMENT THEY PRESENTED TO PRESIDENT ODUBER ADVISING HIM ON THE MECHANICS OF THE OIL DISTRIBUTION TAKEOVER BY RECOPE, WAS IN THE HANDS OF VESCO ASSOCIATE LE BLANC THE NEXT DAY AND THAT THEY LAHNH TOLD THEM THAT HE HAD BEEN INSTRUCTED BY ODUBER TO SAY TO THEM THAT THEY WERE TO PLAY NO ROLE IN THE NEGOTIATIONS WITH RECOPE. THEY FURTHER ASSERT THAT THE PROCESS OF NEGOTIATION FOR THE SALE OF TICO-TICOSA TO RECOPE WAS BEGUN UNDER INSTRUCTION FROM EX-PRESIDENT FIGUERES, WHO ALLEGEDLY CALLED THEM AND SUGGESTED THAT THEY SELL AND SAID THAT THE NEGOTIATIONS WOULD BE HANDLED BY JOSE MARTI FIGUERES, LEBLANC, AND DARENBLUM.

4. THE CHAIN OF TRANSACTIONS DESCRIBED IN THE CHARGES IN THIS CASE IS A COMPLICATED ONE, AS IT IS IN ALL VESCO CASES, BUT THE ALLEGED END RESULT IS THE SAME AS IN THE OTHER CASES -- FUNDS THAT ALLEGEDLY BELONG TO SOMEONE ELSE END UP IN THE HANDS OF COMPANIES CONTROLLED BY VESCO OR HIS ASSOCIATES. IN THIS CASE RECOPE PAID 59 MILLION COLONES FOR TICO-TICOSA. THE QUIROS BROTHERS WHO ALLEGEDLY SHOULD HAVE GOTTEN 15 1/2 MILLION COLONES LIMITED OFFICIAL USE

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GOT ONLY 9 MILLION. THE OTHER TWO MINORITY STOCKHOLDERS, WHO ALLEGEDLY SHOULD HAVE GOTTEN 7.69 MILLION COLONES GOT ONLY 125,000 COLONES. THE ALLEGED H5#9D APPEARS TO BE A FAMILIAR ONE TO FOLLOWERS OF VESCO'S MANIPULATIONS -- THE TRANSFER OF FUNDS FROM A COMPANY IN WHICH VESCO ASSOCIATES HAVE ONLY A PARTIAL INTEREST (TICO-TICOSA OF WHICH THEY OWNED 55 PERCENT) TO A COMPANY WHICH THEY ALLEGEDLY OWN IN ITS ENTIRETY (BELORA S.A.).

5. THE IMPLICATIONS OF THESE NEW CHARGES ARE SEVERAL: THEY "KEEP THE POT BOILING" IN THE VESCO-ODUBER-FIGUERES SCANDAL; THEY INVOLVE ALLEGATIONS OF ILLEGAL ACTIVITIES BY VESCO ASSOCIATES WHICH WILL LEAD TO FURTHER PRESSURE TO EXPEL VESCO FROM THE COUNTRY (ODUBER HAS OFTEN SAID PUBLICLY THAT HE WOULD TAKE THIS STEP IF VESCO CARRIED OUT ILLEGAL ACTIVITIES IN COSTA RICA); AND THEY INVOLVE THE PUBLIC FINANCIAL INTEREST IN THAT THERE ARE ALLEGATIONS THAT VESCO MANEUVERED TO GET RECOPE TO PAY MORE FOR TICO-TICOSA'S ASSETS THAN THEY

WERE WORTH. (THE EMBASSY REPORTED IN 1975 AT THE TIME OF THE SALE (REFTEL) THAT TICO-TICOSA AND ANOTHER LOCAL PETROLEUM MARKETING COMPANY WERE LINKED TO FIGUERES AND ALLEGEDLY FINANCED BY VESCO AND THAT THE RECOPE TAKEOVER MIGHT HAVE BEEN DESIGNED TO PAY THEM MORE MONEY THAN TICO-TICOSA AND THE OTHER COMPANY WERE WORTH). THE POLITICAL OPPOSITION IS DELIGHTED TO HAVE ANOTHER VESCO INCIDENT AND THE OPPOSITION NEWSPAPERS ARE GIVING THE STORY PROMINENT TREATMENT. (NOTE: AFTER THIS MESSAGE WAS WRITTEN BUT BEFORE IT WAS SENT, PRESIDENT ODUBER ANNOUNCED THAT HE HAD ASKED VESCO TO LEAVE THE COUNTRY (SEPTTEL)). KILDAY

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